

NATIONAL APPEALS DIVISION

FY 1999 ANNUAL PROGRAM PERFORMANCE REPORT

The National Appeals Division (NAD) of the U.S. Department of Agriculture was established by the Secretary of Agriculture on October 20, 1994, by Secretary's Memorandum 1010-1, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P. L. 103-354, §271et seq. (October 13, 1994)). The Act consolidated the appellate functions and staffs of several USDA agencies to provide for independent hearings and reviews of adverse decisions.

NAD is responsible for all administrative appeals arising from decisions of agencies and offices of USDA as may be assigned by the Secretary. NAD appeals involve program decisions of the Rural Development mission area, Farm Service Agency, Risk Management Agency, and the Natural Resources Conservation Service. NAD maintains its headquarters office in Alexandria, Virginia, and administers its appeals system through three regional offices located in Memphis, Tennessee; Indianapolis, Indiana; and Lakewood, Colorado. The Hearing Officers are dispersed geographically throughout the nation and operate out of leased office space or home offices.

NAD has a single mission - to conduct evidentiary administrative appeal hearings and reviews arising from program operations of assigned agencies.

More information regarding NAD's programs can be found in the NAD Strategic and Annual Performance plans. Only federal employees were involved in the preparation of this report.

The following table provides summary information on NAD's achievement of FY 1999 Performance Goals.

NAD PERFORMANCE SUMMARY			
Strategic Goal/ Management Initiative	FY 1999 Performance Goals	Performance	
		Target	Actual
Goal 1: To conduct timely hearings and issue timely and well reasoned determinations which correctly interpret applicable regulations.	Conduct hearings within mandated time frame of 45 calendar days.	100%	100%
	Issue appeal determinations within statutory and regulatory time frames	75%	75%
	Issue review determinations in accordance with mandated time frames	37%	45%
	Increase percent of hearing officer determinations upheld on review.	76%	77%
MI 1: Enhance efficiency in adjudicating appeal cases by optimum use of pre-hearing telephonic conferences.	Increase number of pre-hearing telephonic conferences.	60%	68%

Goal 1: Conduct timely hearings and issue timely and well reasoned determinations which correctly interpret applicable regulations.

Objective: Meet the statutorily mandated time frames for conducting appeal hearings, issuing appeal hearing and review determinations, and increase percent of hearing officer determinations upheld on review.

Key Performance Goals

Conduct hearings within mandated time frame of 45 calendar days.

Target: 100%

Actual: 100%

Issue appeal determinations within statutory and regulatory time frames.

Target: 75%

Actual: 75%

Issue review determinations in accordance with mandated time frames.

Target: 37%

Actual: 45%

Increase percent of hearing officer determinations upheld on review.

Target: 76%

Actual: 77%

Rate of Hearings Conducted within Mandated Time Frame

Year	Total Hearings	Total On-Time	Total Waived	Total	Rate	Target
1998	1541	853	343	1196	77%	77%
1999	1186	747	439	1186	100%	100%
2000						100%
2001						100%
2002						100%

Rate of Appeals Determinations Issued Within Time Frame

Year	Total Appeal Determinations	Total On-Time	Total Extended	Total	Rate	Target
1998	1041	726	2	728	70%	70%
1999	985	739	1	740	75%	75%
2000						80%
2001						80%
2002						80%

Rate of Review Determinations Issued Within Time Frame

Year	Total Review Determinations	Total On-Time	Total Extended	Total	Rate	Target
1998	677	242	12	254	37%	37%
1999	565	237	19	256	45%	37%
2000						40%
2001						40%
2002						40%

Rate of Hearing Officer Determinations Upheld on Review

Year	Total Determinations Reviewed	Total Upheld	Total Number Reversed	Total	Rate	Target
1998	677	460	0	460	68%	68%
1999	565	435	0	435	77%	76%
2000						78%
2001						80%
2002						83%

1999 Data: These percentages are based on data gathered from NAD's NADTrack management information system. NADTrack information is a direct product of data input from NAD's three regional offices, its 75 Hearing Officers, and its review staff. NAD's quality and reliability of data input are direct products of staff input. Because of Hearing and Appeal Officer geographical dispersion, to include three separate Regional Offices and the Appeals Staff, no centralized quality-check system is possible in the early stages of data entry. Also, 1999 saw the initial project management testing of NADTrack with some challenges yet to be overcome. Significant staffing, including consistency checks, comparison of raw numbers, and numerous reliability checks, revealed that NAD has a workable system in place, but it requires some fine-tuning. One of the primary challenges in FY 2000 is for centralized training to occur which would ensure consistent data input procedures in the field. Planning for data entry training and system-tailoring is underway and will be completed in FY 2000.

Analysis of Results: NAD met two and exceeded two of its FY 1999 Performance Goals. Achievement of the performance goals supports the Department's initiative to provide effective customer service and efficient program delivery. Although statutorily mandated time frames can be waived, NAD's goal is to conduct timely hearings and issue timely determinations in a manner that increases program and administrative efficiency and decreases the cost of NAD operations. These are critical components for accomplishing the strategic goal of conducting timely hearings and issuing timely and well reasoned determinations.

On-time performance can be affected by a variety of circumstances including requests for hearing delays by parties, and keeping the record open at the request of the parties. Federal court rulings, which apply to NAD proceedings, affect the need to expand current training initiatives and secure additional resources. The severity and frequency of natural disasters and market triggered programs affect the caseload and may affect "on-time" performance targets.

Current Fiscal Year Performance: FY 1999 performance for NAD has been consistent and predictable due in part to the relative stability of the farm programs. NAD expects this stability to continue through the remainder of FY 2000. Preliminary data on these performance measures indicates that NAD is on target to achieve FY 2000 targets. NAD will continue to monitor performance progress quarterly and take necessary and appropriate actions in the event performance is less than expected.

NAD is reviewing its entire performance management system to identify specific areas where performance data and customer service data can be more readily measured. NAD is also identifying, through accepted management practices, protocols for periodic performance evaluation reviews. This information will be gathered during FY 2000 and will transfer directly into Annual Performance Plan and Annual Performance Report requirements.

Program Evaluations: None conducted during FY 1999.

Management Initiative 1: Enhance efficiency in adjudicating appeal cases by optimum use of pre-hearing telephonic conferences. NAD is totally changing its Management Initiatives to bring more measurable and administrative-related performance-based goals. These are reflected in NAD's FY 2000/2001 Performance Plans. NAD will be more able to document administrative achievements.

Key Performance Goals

Enhance efficiency in adjudicating appeal cases by optimum use of pre-hearing telephonic conferences.

Target: 60%

Actual: 68%

Increase Rate of Pre-hearing Telephonic Conferences

Year	Number of Hearings	Number of Pre-hearing teleconferences	Rate of Conference	Target
1998	1541	1050	68%	60%
1999	1186	808	68%	60%
2000				70%
2001				75%
2002				80%

1999 Data: The percentages are based on Hearing Officer and Regional Office data input into NAD's NADTrack management information system.

Analysis of Results: Pre-hearing teleconferences ensure that more timely and efficient hearings are held. Hearing Officer feedback at NAD-wide training conferences consistently highlight the many benefits of this procedure. NAD is adding Management Initiatives to add to its administrative achievements. NAD will continue to provide training and checklists to Hearing Officers to ensure that the quality of the teleconferences remains high, and that the teleconferences are done in a consistent manner.

Current Fiscal Year Performance: As noted above, NAD is totally revamping its Management Initiatives for FY 2000. These will be spelled out in the next Annual Performance Plan. New measures will include

results of an annual customer service survey; percentage of NAD employees who have, or are enrolled in at least one Internet-based training course offered by a joint NAD - AmeriSchool project, etc.

Program Evaluations: None conducted during FY 1999.

NATIONAL APPEALS DIVISION**DISCONTINUED PERFORMANCE MEASURES**

MI Goal 1: Enhance efficiency and quality in adjudicating appeal cases.

Objective 1.2: Enhance efficiency, quality, and consistency in determinations through development of a Decisional Information Subsystem (DIS).

Increase the average number of appeals completed by hearing officers per month.

Explanation: This performance goal is being discontinued because it is a component of reporting under FY 2000/2001 Annual Performance Plan objective 1.3, and inclusion here is redundant.

Increase the average number of reviews completed by appeals officers per month.

Explanation: This performance goal is being discontinued because it is a component of reporting under FY 2000/2001 Annual Performance Plan objective 1.4, and inclusion here is redundant.